

# New American Rescue Plan Benefits for Families



Families are eligible to receive many sources of direct and indirect financial relief through the Biden Administration's American Rescue Plan (ARP). Community Action Agencies can help all families access benefits if they are eligible. These payments and tax credits do not affect income-related eligibility for programs like Head Start, SNAP, WIC, or LIHEAP, or count towards adjusted gross income for tax filers. We encourage families to file 2020 taxes to receive available credits.

## 1 Stimulus Checks

### What's New?

Single adults earning up to \$75,000 and head-of-household filers (e.g., single parents with children) earning up to \$112,500 will receive a one-time payment of \$1,400, plus \$1,400 for each qualifying dependent. Married couples earning up to \$150,000 will receive a one-time payment of \$2,800, plus \$1,400 for each qualifying dependent. This round of payments includes dependents who are included on the filer's tax return but were excluded from previous stimulus payments: college students and adult dependents.

### Next Steps

Track the status of payments using the Internal Revenue Service's (IRS) [Get My Payment tool](#). If a family didn't get a first or second stimulus payment or got less than the full amounts, they may be eligible to claim the [Recovery Rebate Credit](#) and must file a 2020 tax return even if they don't usually file. Payments will be included in 2020 refunds.

### What's New?

The first \$10,200 of unemployment benefit payments received in 2020 are no longer taxable. For families currently receiving unemployment payments, there is a \$300/week federal increase in payments until Sept. 6, 2021. The ARP also extends the special pandemic Unemployment Insurance (UI) program for people who do not usually qualify for UI (e.g., self-employed and gig workers) through Sept. 6, 2021.

### Next Steps

Families who received unemployment benefits in 2020 and already filed a 2020 tax return should file an amendment to receive money owed. Please note that if your state has opted out of federal unemployment distribution, you may be ineligible for certain benefits - check your [state unemployment office](#) for details and to find information about applying for UI.

### What's New?

The ARP created a monthly child allowance to replace the current Child Tax Credit. Beginning in July 2021, families who are eligible for the ARP stimulus check will receive monthly payments of \$300 per child under age 6 and \$250 per child aged 6–17. This one-year program will end on Dec. 31, 2021. Individual Taxpayer Income Number (ITIN) holders, including immigrant families with children born in the U.S with a social security number, are eligible to receive this credit.

### Next Steps

Families should start receiving monthly payments in July. The payment amount is based on the number of children claimed as dependents on a family's most recent tax return (2019 or 2020). To ensure they receive the monthly payments starting in July, families should file a 2020 tax return by May 17, 2021. Families will retroactively claim this allowance from January–June 2020 on 2021 tax returns.

## 3 Monthly Child Allowance

## 4 Child Care Expenses

### What's New?

The ARP expands the size of the Child and Dependent Care Credit. Parents are eligible for this tax credit if they needed care for any child under age 13 or a disabled dependent of any age while working or looking for work. This includes any amount paid (full or co-pay) for center-based child care, babysitter care, summer camp, or care by adult relatives outside of the tax household. ITIN holders, including immigrant families with children born in the U.S with a social security number, are eligible to receive this credit.

### Next Steps

Families should keep records of child care expenses to report on their 2021 tax returns. Even those who do not owe taxes should file because the credit will be fully refundable.

## 5 Food & Nutrition

### What's New?

The ARP extends the current 15% Supplemental Nutrition Assistance Program (SNAP) increase until Sept. 30, 2021. States can choose to increase Women, Infants, and Children (WIC) benefits for 4 months, specifically to provide more fruits and vegetables to mothers and children. Through the summer, Pandemic-Electronic Benefits Transfer (P-EBT) assistance is extended. Like SNAP benefits, P-EBT can be used to replace the free- or reduced-price meals children receive when they attend school or child care in person.

### Next Steps

Families who are already enrolled in SNAP and WIC do not need to do anything. Most changes keep benefits at their current levels, and any adjustments will be automatic. Newly eligible families can enroll via their local [SNAP](#) or [WIC](#) office. Participating states will issue their own guidance for summer 2021 P-EBT.

### What's New?

The ARP extends the eviction moratorium and makes more funding available for more people with overdue rent. Families are now eligible for renter's assistance if at least one person in the household meets any of these criteria: Qualifies for unemployment; Has had a decrease in income; Has experienced some kind of financial hardship because of the COVID-19 pandemic. Families can also qualify if they are at risk of experiencing homelessness or if household income is at or below 80% of the median income for the area.

### Next Steps

Families who owe rent should contact their landlord about applying for assistance. A renter or a landlord can apply for assistance and the money is paid directly to the landlord or utility on the renter's behalf. Find more information on the [Consumer Financial Protection Bureau website](#). In addition, as of April 1, 2021, there is a temporary U.S. Centers for Disease Control and Prevention (CDC) [eviction protection declaration](#). This is a temporary halt in residential evictions to prevent spread of COVID-19.

## 6 Rental Assistance

### Utility Assistance

The ARP makes additional funds available for energy assistance. Reach out to your local Community Action Agency (CAA) to find out whether emergency assistance funds are available.

### Tax Help

Learn more about accessing tax credits at [EITCO Outreach.org](http://EITCO Outreach.org). Free tax prep. services may be available for eligible families at Volunteer Income Tax Sites in your area.

